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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/845,224	04/30/2001	Walter D. Buist	9628-009	3843
23524	7590	10/17/2005		
FOLEY & LARDNER 150 EAST GILMAN STREET P.O. BOX 1497 MADISON, WI 53701-1497			EXAMINER LIVERSEDGE, JENNIFER L	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 10/17/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/845,224

Applicant(s)

BUIST ET AL.

Examiner

Jennifer Liversedge

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 April 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-3 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-3 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 05 December 2001 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 4/15/02

- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Drawings

1. The drawings are objected to because:

Page 3, line 1: Preferred system (10) is not shown on drawing

Page 3, line 5 refers to an "order management system", inconsistent drawing text

Page 3, line 6 refers to an "institutional investor interface", inconsistent drawing text

Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. The figure or figure number of an amended drawing should not be labeled as "amended." If a drawing figure is to be canceled, the appropriate figure must be removed from the replacement sheet, and where necessary, the remaining figures must be renumbered and appropriate changes made to the brief description of the several views of the drawings for consistency. Additional replacement sheets may be necessary to show the renumbering of the remaining figures. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 2 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. The language of claim 2 referring to "comprising: means for..." indicates software is being referenced. Software is unpatentable subject matter. This is contrasted with claim 3 which indicates "software on a readable medium" which indicates a disk or other device and is therefore acceptable.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

4. Claims 1-3 are rejected under 35 U.S.C. 103(a) as being unpatentable over WR Hambrecht & Company per the website dated April 16, 2000 (further referred to as Hambrecht), in view of "Upstart Web Auction, TheBargainHut.com, Going After eBay and Others for Dominance" dated June 3, 1999 in PR Newswire (further referred to as TheBargainHut), and further in view of ebay per the website dated April 13, 2000 (further referred to as ebay).

5. Regarding claim 1, Hambrecht discloses a method of conducting on on-line auction (page 3, lines 3 – 7; page 7, lines 43 – 44) of a security (page 4, lines 5 – 8; page 7, lines 43 - 44) comprising the steps of transmitting to a plurality of potential bidders information identifying the security (page 12, left column see "Offerings"; page 12, see Calendar), a price range having a maximum and a minimum price (page 4, chart at line 1; page 7, lines 44 – 45; page 12, Filing Price within Calendar).

Hambrecht does not disclose a time for the auction. However, TheBargainHut does disclose a time for the auction (page 1, lines 39 – 40). It would be obvious to one

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of ordinary skill in the art to combine specifying a time for the auction as disclosed by TheBargainHut with the on-line trading system as disclosed by Hambrecht. It is well known to specify an event start time, whether it be a sporting event, a conference, an auction, etc. The motivation would be to allow bidders to know when the auction would commence in order to create a start time in which all interested bidders could participate.

Hambrecht discloses receiving from each bidder an offer price for a number of units of the security (page 4, lines 9 – 10 and chart at line 11); transmitting to bidders information concerning the bids that were received, said information indicating the number of units that are bid for at each offer price (page 3, see Step 3: Confirming Your Bid; page 4, lines 15 – 17), closing the auction when a predetermined time has elapsed (page 5, line 8 and chart at line 11 showing auction close date, page 7, lines 16 – 17);

Hambrecht does not disclose closing the auction when offers are received for all units of the security at the maximum price. However, ebay offers a method by which the auction is closed when offers are received for all of the units of a product at the maximum price (page 7, lines 5 – 7, graphic, and 25 – 26; page 9, lines 9 – 11). In the ebay system, items can be placed for auction and if the maximum price is obtained for each of the items listed, such as in the “buy it now” feature, then the auction closes. It would be obvious to one of ordinary skill in the art to combine closing an auction when offers are received for all items at the maximum price as disclosed by ebay with the auction system as disclosed by Hambrecht. The motivation would be to discontinue an

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auction since all items had been spoken for at the maximum price being asked, thus rendering any additional auction time ineffective.

Hambrecht does not disclose a method wherein upon closing the auction, allocating units of the security so that all bids at a price in excess of a closing price are filled and all bids at the closing price or less are filled on a first-come, first served basis. However, ebay discloses a method wherein upon closing the auction, allocating units of the product so that all bids at a price in excess of a closing price are filled and all bids at the closing price or less are filled on a first-come, first-served basis (page 7, lines 5 – 7, graphic, and 25 – 26; page 9, lines 9 – 11). In the ebay system, a seller can place a number of items for auction. Individuals desiring to pay the maximum price using the “buy it now” feature will receive the item at that price regardless of the other bidders’ bids. Even without using the “buy it now” feature, the top bidder will have won the auction per traditional auction format. From there, the remaining items will be allocated to the remaining bidders, based on their bids, on a first-come first-served basis. It would be obvious to one of ordinary skill in the art to combine the allocation method as disclosed by ebay with the auction system as disclosed by Hambrecht. The motivation would be to provide top bidders with product first, followed by those in succession of next highest bid on a first-come first-served basis.

6. Regarding claim 2, the same limitations apply to the computer system as claimed in claim 2 as the method as claimed in claim 1. The system as claimed in claim 2 would

be required to operate the methods of claim 1 and is therefore rejected under the same grounds.

7. Regarding claim 3, the same limitations apply to the computer software on a readable medium as claimed in claim 3 as the computer system claimed in claim 2. The computer software on a readable medium as claimed in claim 3 would be required to operate the computer system of claim 2 and is therefore rejected under the same grounds.

Conclusion

8. Any inquiry concerning this communication should be directed to Jennifer Liversedge whose telephone number is 571-272-3167. The examiner can normally be reached on Monday – Friday, 8:30 – 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Sam Sough can be reached at 571-272-6799. The fax number for the organization where the application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should


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you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Jennifer Liversedge

Examiner

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